

OPERATING MANUAL

FOR THE ADMINISTRATION OF RENTAL UNITS

In Accordance with the Uniform Housing Affordability Controls

Washington Borough
Warren County, New Jersey

July 2020

Prepared By:



Heyer, Gruel & Associates

Community Planning Consultants
236 Broad Street, Red Bank, NJ 07701
(732) 741-2900

TABLE OF CONTENTS

INTRODUCTION	2
AFFIRMATIVE MARKETING	2
OVERVIEW OF THE REQUIREMENTS OF AN AFFIRMATIVE MARKETING PLAN.....	2
IMPLEMENTATION OF THE AFFIRMATIVE MARKETING PLAN	3
RANDOM SELECTION & APPLICANT POOLS	4
RANDOMIZATION AFTER CERTIFICATION.....	4
MATCHING HOUSEHOLDS TO AVAILABLE UNITS	5
HOUSEHOLD ELIGIBILITY & CERTIFICATION.....	5
PROCEDURE FOR INCOME-ELIGIBILITY CERTIFICATION.....	6
DISMISSAL OF APPLICATIONS	8
APPEALS	9
DETERMINING AFFORDABLE RENTS.....	9
DEVELOPMENT CONSIDERATIONS AND COMPLIANCE ISSUES.....	9
DETERMINING INITIAL RENTS.....	10
DETERMINING RENT INCREASES	10
PROCEDURES FOR MAINTAINING LONG-TERM CONTROLS	11
FILES TO BE MAINTAINED ON EVERY APPLICANT.....	11
FILES TO BE MAINTAINED ON EVERY UNIT	11
FILES TO BE MAINTAINED ON EVERY PROJECT	12
FILES TO BE MAINTAINED ON THE APPLICANT POOL	12
ENFORCEMENT.....	12
MONITORING	12
VIOLATIONS, DEFAULTS AND REMEDIES.....	13

APPENDICES

- A. Washington Borough Affirmative Marketing Plan
- B. 2020 AHPNJ Affordable Housing Regional Income Limits Chart
- C. Certificate for Applicants Certified to Rental Unit
- D. Mandatory Deed Restriction for Rental Projects

INTRODUCTION

The purpose of this Operating Manual is to describe the policies and procedures of the Borough of Washington's Affordable Housing Rental Program. It will serve as a guide to the program staff and the public alike. This manual describes the basic content and operation of the various affordability assistance program components. This manual may be periodically revised to reflect changes in local, state, and federal policies and regulations relative to implementation of the affordable housing programs described herein.

Implementation of any procedure, even if it is not included in this Operating Manual, shall be in accordance with the Federal Fair Housing Act and Equal Opportunities laws¹, the Uniform Housing Affordability Controls (UHAC) N.J.A.C. 5:80-26.1 et seq.², the substantive rules of the Council on Affordable Housing N.J.A.C. 5:93 as revised and the affordable housing regulations of the Borough of Washington (hereafter referred to as the "Regulations"). The responsibilities of the administrative agent are outlined in Ordinance Section §97-84.17. In accordance with the Federal Fair Housing Act and Equal Opportunities laws, it is unlawful to discriminate against any person making application to buy or rent a home with regard to age, race, religion, national origin, sex, handicapped or familial status.

AFFIRMATIVE MARKETING

OVERVIEW OF THE REQUIREMENTS OF AN AFFIRMATIVE MARKETING PLAN

All affordable units shall be affirmatively marketed in accordance with the Borough of Washington's Affirmative Marketing Plan. An Affirmative Marketing Plan is a regional marketing strategy designed to attract households of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age, or number of children to housing units which are being marketed by an administrative agent or a developer, sponsor, owner or property manager of affordable housing. The primary objectives of an Affirmative Marketing Plan are to target households who are least likely to apply for affordable housing, and to target households throughout the entire housing region in

¹ <http://www.hud.gov/offices/fheo/FHLaws/index.cfm>

² <http://www.nj.gov/dca/affiliates/coah/regulations/uhac.html>

which the units are located. The Borough's Affirmative Marketing Plan is attached as Appendix A to this document.

Before any rental or re-rental of an affordable unit, the unit shall be affirmatively marketed by the Borough's Affordable Housing Administrative Agent to households throughout Affordable Housing Region 2 (consisting of Warren, Camden and Gloucester Counties) in a manner consistent with the affirmative marketing requirements of the Uniform Housing Affordability Controls (UHAC) N.J.A.C. 5:80-26.1 et seq. The Borough has determined that households that live or work in Affordable Housing Region 2 shall be selected for an affordable housing unit before households from outside this region. Units that remain unoccupied after households who live or work in the region are exhausted, may be offered to households outside the region.

Advertisements must contain the following information for each affordable housing opportunity:

- The location of and directions to the units
- A range of prices for the housing units
- The bedroom size(s) of the units
- The maximum income permitted to qualify for the housing units
- The locations of applications for the housing units
- The business hours when interested households may obtain an application for a housing unit
- Application fees, if any

IMPLEMENTATION OF THE AFFIRMATIVE MARKETING PLAN

The affirmative marketing process for affordable units shall begin at least four (4) months prior to expected occupancy. In implementing the marketing program, the administrative agent shall undertake all of the strategies outlined in the Borough's Affirmative Marketing Plan. Advertising and outreach shall take place during the first week of the marketing program and each month thereafter until all the units have been sold. Applications for affordable housing shall be available in several locations in accordance with the Affirmative Marketing Plan. The time period when applications will be accepted will be posted with the applications. Applications shall be mailed to prospective applicants upon request.

An applicant pool will be maintained by the administrative agent for re-rentals. When a re-rental affordable unit becomes available, the administrative agent will select

applicants from the applicant pool and, if necessary, the unit will be affirmatively marketed as described above. The selection of applicants from the applicant pool is described in more detail in this manual under Random Selection & Applicant Pools.

RANDOM SELECTION & APPLICANT POOLS

Ordinance §94-87.1 defines the “random selection process” as a process by which currently income-eligible households are selected for placement in affordable housing units such that no preference is given to one applicant over another except for purposes of matching household income and size with an appropriately priced and sized affordable unit (e.g., by lottery). The Borough will employ the *randomization after certification* process.

Applicants will be required to file a pre-application and specify the household composition and number of bedrooms needed. After preliminary income-eligibility is determined, the applicants will submit all documentation required for income verification. Once applicants are notified of certified, households will be categorized based on the number of bedrooms needed and placed into applicant pools. When a unit becomes available, the applicant pool of that bedroom category will be randomized using a random number generator. Applicant pools will be re-randomized each time a unit becomes available.

RANDOMIZATION AFTER CERTIFICATION

Random selection is conducted when a unit is available, and only certified households seeking the type and bedroom size of the available unit are placed in the lottery. The process is as follows:

- After advertising is implemented, applications are accepted for 90 days.
- All applications are reviewed, and households are either certified or informed of non-eligibility. The certification is valid for 180 days and may be renewed by updating income-verification information. Eligible households are placed in applicant pools based upon the number of bedrooms needed (and any other special requirements, such as regional preference or the need for an accessible unit).
- When a unit is available, only the certified households in need of that type of unit are selected for a lottery.
- Households are informed of the date, time, and location of the lottery and invited to attend. A municipal representative will also be in attendance for the lottery.

- After the lottery is conducted, the first household selected is given 60 days to express interest or disinterest in the unit. If the first household is not interested in the unit, this process continues until a certified household selects the unit.
- Applications are accepted on an ongoing basis, certified households are added to the pool for the appropriate household income and size categories, and advertising and outreach is ongoing, according to the Affirmative Marketing Plan.

MATCHING HOUSEHOLDS TO AVAILABLE UNITS

In referring certified households to specific restricted units, to the extent feasible, and without causing an undue delay in occupying the unit, the administrative agent shall strive to implement the following policies:

- Provide an occupant for each unit bedroom;
- Provide children of different sex with separate bedrooms;
- Prevent more than two persons from occupying a single bedroom;
- Require that all the bedrooms be used as bedrooms; and
- Require that a couple requesting a two-bedroom unit provide a doctor's note justifying such request.

The administrative agent cannot require an applicant household to take an affordable unit with a greater number of bedrooms, as long as overcrowding is not a factor. A household can be eligible for more than one (1) unit category and should be placed in the applicant pool for all categories for which it is eligible.

HOUSEHOLD ELIGIBILITY & CERTIFICATION

Before any household can rent a restricted unit, the administrative agent must certify the household as eligible. Certification of a household involves the verification of two critical pieces of data: 1) Household size and composition, including gender; and 2) The total income and assets for all household members over 18 years of age. The certification process begins with the applicant completing an application in its entirety and providing the required backup documentation. Once eligibility documents and data have been collected, the administrative agent can begin the process of calculating the household's income for verification. Please note that preliminary eligibility is based solely on self-reported information by the applicant and is in no way a guarantee of eligibility. The current income limits are attached as Appendix B of this manual.

PROCEDURE FOR INCOME-ELIGIBILITY CERTIFICATION

The administrative agent shall require each member of an applicant household who is 18 years of age or older to provide documentation to verify their income. Income verification documentation should include, but is not limited to the following for each and every member of a household who is 18 years of age or older:

- Four (4) current consecutive pay stubs (including both the check and the stub), including bonuses, overtime or tips, or a letter from the employer stating the present annual income figure or if self-employed, a current Certified Profit & Loss Statement and Balance Sheet.
- Copies of Federal and State income tax returns for each of the preceding three (3) tax years – a Form 1040 Tax Summary for the past three tax years can be requested from the local Internal Revenue Service Center or by calling 1-800-829-1040.
- A letter or appropriate reporting form verifying monthly benefits such as
 - Social Security or SSI – Current award letter or computer printout letter
 - Unemployment – verification of Unemployment Benefits
 - Welfare -TANF³ current award letter
 - Disability - Worker's compensation letter or
 - Pension income (monthly or annually) – a pension letter
- A letter or appropriate reporting form verifying any other sources of income claimed by the applicant, such as alimony or child support – copy of court order, recent original letters from the court or education scholarship/stipends or current award letter.
- Current reports of savings and checking accounts (bank statements and passbooks) and income reports from banks or other financial institutions holding or managing trust funds, money market accounts, certificates of deposit, stocks or bonds.
- Evidence or reports of income from directly held assets, such as real estate or businesses.
- Interest in a corporation or partnership – Federal tax returns for each of the preceding three tax years.

³ TANF – Temporary Assistance for Needy Families

- Current reports of assets – Market value appraisal or realtor comparative market analysis and bank/mortgage company statement indicating current mortgage balance. For rental property, attach copies of all leases.

Administrative agents must notify applicant households of their eligibility within 20 days the administrative agent's determination.

Households with a verified total household income that exceeds 80 percent of the regional income limit for the appropriate family size are ineligible for purchase or rental of restricted units. A letter rejecting the household's application shall be mailed to the household.

Similarly, households with a verified total household income that is within the income limits, but too low to afford any of the units administered by the administrative agent shall be sent a letter rejecting the household's application, and/or referring them to housing counseling or the Affordability Assistance Program, if applicable.

Households with a verified total household income of less than 80 percent shall be issued a letter certifying eligibility. This certification is valid for 180 days. If the administrative agent is unable to place the household in a restricted unit at the conclusion of 180 days, an extension may be granted once the household's eligibility is verified. Pursuant to N.J.A.C. 5:80-26.16(b), certifications may be renewed in writing at the request of a certified household for an additional period of 180 days at the discretion of the administrative agent.

Once the applicant is certified and matched to an available unit, the administrative agent must secure from the applicant a signed and notarized acknowledgement of their requirements and responsibilities in renting a restricted unit. UHAC's Disclosure Statement (Appendix K of UHAC and Appendix C of this manual) shall be forwarded to the applicants.

In addition to non-eligibility based on income, the administrative agent may deny a certification because of the household's failure or inability to document household composition, income, assets, sufficient funds for down payment, or any other required facts and information. A household may also be denied certification if the administrative agent determines that there was a willful or material misstatement of fact made by the applicant.

DISMISSAL OF APPLICATIONS

Applications can be dismissed for the following reasons:

1. The application is not signed or submitted on time.
2. The applicant commits fraud, or the application is not truthful or complete.
3. The applicant cannot or does not provide documentation to verify their income or other required information when due.
4. The household income does not meet the minimum or maximum income requirements for a particular property.
5. The applicant owns assets that exceed the Asset Limit.
6. The applicant fails to respond to any inquiry in a timely manner.
7. The applicant is non-cooperative or abusive with the staff, property manager or landlord.
8. The applicant changes address or other contact information without informing the administrative agent in writing.
9. The applicant does not meet the credit standard or other requirement set forth by managers of rental properties.
10. The applicant fails to verify attendance in a credit counseling program when required to do so by the program rules.
11. The applicant does not respond to periodic update inquiry in a timely fashion.
12. The applicant fails to sign the Compliance Certification, Certificate for Applicant, Lease Document, as may be required.
13. The applicant, once approved, fails to sign the lease in a timely manner.
14. Applicants will also be removed from all lists held by the administrative agent once they have been approved for an affordable unit. However, these applicants may re-apply for other opportunities in that municipality once they have occupied their unit.

Applicants who are dismissed may re-apply. A minimum time period of six (6) months applies in most situations where the applicant has been withdrawn for fraud, poor credit, uncooperative behavior or other serious matters. Applicants are not automatically removed from rental lists if they do not respond to a Notice of Availability. Applications may be held in abeyance for a period not to exceed 60 days if there is an error on the credit report, so that the applicant can correct the error and re-apply. Units will not be held open for that applicant. However, once the credit report is corrected, the applicant will be given a priority for the next opportunity at that property.

APPEALS

Appeals from all decisions of an administrative agent shall be filed in writing with the Court.

DETERMINING AFFORDABLE RENTS

To determine the affordable rents, the administrative agent uses the most recently updated calculators provided by AHPNJ, located at:

<https://ahpnj.org/resources/2019-coah-calculators>.

DEVELOPMENT CONSIDERATIONS AND COMPLIANCE ISSUES

There are several regulations that must be considered from the development perspective before the rents of individual units can be calculated. These requirements should be discussed at the first meeting between the Municipal Housing Liaison/ Administrative Agent and homeowner.

Bedroom Distribution. The standards on the distribution of unit sizes for affordable developments require that:

- The combined number of efficiency and one-bedroom units may be no greater than 20 percent of the total low- and moderate-income units;
- At least 30 percent of all low- and moderate-income units must be two-bedroom units;
- At least 20 percent of all low- and moderate-income units are three-bedroom units; and
- The remainder, if any, may be allocated at the discretion of the developer.

Age-restricted Units. In determining the initial sales prices and rents for compliance with the affordability average requirements for restricted units in assisted living facilities and age-restricted developments, the following standards shall be used:

- A studio shall be affordable to a one-person household;
- A one-bedroom unit shall be affordable to a one- and one-half-person household; and
- A two-bedroom unit shall be affordable to a two-person household or to two one-person households.

Pricing by Household Size. Initial rents are based on targeted "model" household sizes for each size home as determined by the number of bedrooms. Initial rents must adhere to the following rules. These maximum rents are based on the Affordable Housing Regional Income Limits at the time of occupancy:

- A studio shall be affordable to a one-person household;
- A one-bedroom unit shall be affordable to a one- and one-half person household;
- A two-bedroom unit shall be affordable to a three-person household;
- A three-bedroom unit shall be affordable to a four- and one-half person household; and
- A four-bedroom unit shall be affordable to a six-person household.

Size of Unit	Household Size Used to Determined Max Rent
Studio/Efficiency	1
1 Bedroom	1.5
2 Bedrooms	3
3 Bedrooms	4.5
4 Bedrooms	6

The above rules are only to be used for setting initial rents. They are not guidelines for matching household sizes with unit sizes. The pricing of age-restricted units may not exceed affordability based on a two-person household.

DETERMINING INITIAL RENTS

To determine the initial rents the administrative agent uses the HUD, Region 2 Rent and Income levels.

Affordability Average. The average rent for all affordable units cannot exceed 52 percent of the regional median income. At least one rent for each bedroom type must be offered for both low-income and moderate-income units.

Maximum Rent. When including percentages in the rental calculator, the maximum rent for a moderate-income unit shall be affordable to households earning no more than 60 percent of median income and the maximum rent for a low-income unit shall be affordable to households earning no more than 52 percent of median income. The maximum rent for a very low-income units shall be affordable to households earning no more than 30 percent of median income.

DETERMINING RENT INCREASES

Annual rent increases are permitted in affordable units. Rent increases are permitted at the anniversary of tenancy according to AHPNJ's Annual Affordable Housing Regional Income Limits Chart, available on AHPNJ's website. These increases must be filed with and approved by the administrative agent. Property managers or landlords who have charged less than the permissible increase may use the maximum allowable rent with the next tenant with permission of the administrative agent.

The maximum allowable rent would be calculated by starting with the rent schedule approved as part of initial lease-up of the development and calculating the annual increase from the initial lease-up year to the present. Rents may not be increased more than once a year, may not be increased by more than one court-approved increment at a time, and may not be increased at the time of new occupancy if this occurs less than one year from the last rental. No additional fees may be added to the approved rent without the express written approval of the administrative agent.

The requirements pertaining to maximum increases in rents are established within §94-87.5(D)(1)(e) of the Borough Code.

PROCEDURES FOR MAINTAINING LONG-TERM CONTROLS

Pursuant to N.J.A.C. 5:80-26.14(a)8, N.J.A.C. 5:80-26.15(c) and N.J.A.C. 5:80-26.17 current records must be maintained by the administrative agent and outdated records must be given to the Borough for safe-keeping. A file must be created and maintained on each restricted unit for its control period. The administrative agent maintains detailed records on all marketing initiatives. A comprehensive list of the administrative agent duties is provided in Ordinance Section §94-87.18.

FILES TO BE MAINTAINED ON EVERY APPLICANT

The administrative agent will maintain files on every applicant. All files will contain a preliminary application. If an applicant's preliminary application is approved, and the applicant files a formal application, the file will contain at a minimum:

- Application Form
- Tenant Information Form
- Income Verification
- Letter of Certification of Eligibility or Letter of Determination of Ineligibility

Individual files will be maintained throughout the process and submitted to the Borough upon termination of the program.

FILES TO BE MAINTAINED ON EVERY UNIT

The administrative agent will maintain files on every unit for the length of the affordability controls. The unit file will contain at a minimum:

- Base rent
- Identification as low- or moderate-income
- Description of number of bedrooms and physical layout
- Floor plan

- Application materials, verifications and certifications of all present owners, pertinent correspondence
- Copy of lease
- Disclosure Statement (Appendix K of UHAC and Appendix C of this manual)

FILES TO BE MAINTAINED ON EVERY PROJECT

The administrative agent will maintain files on every project for the length of the affordability controls. The project file will contain at a minimum:

- Condominium Master Deed
- Condominium Public Offering
- Crediting Information
- Original deed restriction
- Affordability control documents, including Declarations of Covenants, Conditions and Restrictions, Deed Restrictions (Appendix E-2 of UHAC and Appendix D of this manual), Deeds, Recapture Mortgages, Recapture Mortgage Notes, Disclosure Statement (Appendix K of UHAC and Appendix C of this manual)

FILES TO BE MAINTAINED ON THE APPLICANT POOL

- Any changes to the applicant pool
- Any action taken with regard to the applicant pool
- Any activity that occurs that affects a particular applicant
- Current applications for all applicants whose status is active in the applicant pool
- The application, the initial rejection notice, the applicant's reply to the notice, a copy of the administrative agent's final response to the applicant, and all documentation of the reason the applicant's name was removed from the applicant pool.

ENFORCEMENT

Ordinance Section §94-87.20 outlines the requirements pertaining to the enforcement of affordable housing regulations.

MONITORING

The current annual monitoring information required to be maintained and reported annually to the municipal housing liaison can be found on the DCA website at:

<https://www.nj.gov/dca/affiliates/coah/upcoming/ctmproject.html>

The information required for each unit includes but is not limited to:

- Street Address

- Block/Lot/Qualifier/Unit Number
- Housing Type
- Income: Very Low/Low/Moderate
- Initial Rental Price
- % of affordability
- Bedroom Type
- Age-restricted
- Handicap accessible/adaptable
- CO #, date
- Effective date of affordability controls
- Length of affordability controls (years)
- Date Affordability controls removed

VIOLATIONS, DEFAULTS AND REMEDIES

In the event of a threatened breach of any of the regulations governing the affordable unit by an owner of a rental development, the administrative agent shall have all the remedies provided at law or equity, including the right to seek injunctive relief or specific performance, it being recognized by both parties that it will cause irreparable harm to the Borough, in light of the public policies set forth in the Fair Housing Act and the obligation for the provision of low- and moderate-income housing.

Upon the occurrence of a breach of any of the regulations governing the affordable units by an owner of a rental development, the Borough shall have all remedies provided at law or equity, including but not limited to foreclosure, acceleration of all sums due under a mortgage, recoupment of any funds from a sale in the violation of the regulations, injunctive relief to prevent further violation of the regulations, entry on the premises, and specific performance.

RENTAL HOUSING PROGRAM AUDIT CHECKLIST
UP-TO-DATE OPERATING MANUAL
Income Limits
Sample Forms and Letters
AFFIRMATIVE MARKETING
Copies of Display Ads
Copies of PSA Requests
Copies of Marketing Requests
RANDOM SELECTION
Log of Applications Received
Log of Random Selection Results
Database of Referrals
MAINTENANCE OF RECORDS
Files to Be Maintained on Every Applicant
Preliminary Application
Application Form
Tenant Information Form
Income Verification
Letter of Certification of Eligibility or Letter of Determination of Ineligibility
Files to Be Maintained on Every Unit
Base rent
Identification as low- or moderate-income
Description of number of bedrooms and physical layout
Floor plan
Application materials, verifications and certifications of all present tenants, pertinent correspondence
Copy of lease
Disclosure Statement
Original deed restriction with length of controls
Files to Be Maintained on Every Project
Condominium Master Deed
Condominium Public Offering
Crediting Information
Original deed restriction
Affordability control documents, including Declarations of Covenants, Conditions and Restrictions, Deed Restrictions, Deeds, Recapture Mortgages, Recapture Mortgage Notes, Disclosure Statement
MONITORING INFORMATION
Complete Monitoring Reporting Forms

APPENDICES

- A.** Washington Borough Affirmative Marketing Plan
- B.** 2020 AHPNJ Affordable Housing Regional Income Limits Chart
- C.** Certificate for Applicants Certified to Rental Unit
- D.** Mandatory Deed Restriction for Rental Projects

APPENDIX A

Washington Borough Affirmative Marketing Plan

APPENDIX B

AHPNJ Affordable Housing Regional Income Limits Chart (April 2020)

2020 AFFORDABLE HOUSING REGIONAL INCOME LIMITS BY HOUSEHOLD SIZE

Income limits not officially adopted by the State of New Jersey. Contact your municipality to see if applicable in your jurisdiction. Additional information about AHPNJ income limits is posted on AHPNJ.org

	1 Person	*1.5 Person	2 Person	*3 Person	4 Person	*4.5 Person	5 Person	6 Person	7 Person	8+ Person	Max Increase Rents**	Regional Asset Limit****
Region 1												
Median	\$67,166	\$71,964	\$76,761	\$86,357	\$95,952	\$99,790	\$103,628	\$111,304	\$118,980	\$126,656		
Moderate	\$53,733	\$57,571	\$61,409	\$69,085	\$76,761	\$79,832	\$82,902	\$89,043	\$95,184	\$101,325	1.9%	\$185,539
Low	\$33,583	\$35,982	\$38,381	\$43,178	\$47,976	\$49,895	\$51,814	\$55,652	\$59,490	\$63,328	0.84%	
Very Low	\$20,150	\$21,589	\$23,028	\$25,907	\$28,786	\$29,937	\$31,088	\$33,391	\$35,694	\$37,997		
Region 2												
Median	\$73,857	\$79,132	\$84,408	\$94,959	\$105,510	\$109,730	\$113,951	\$122,391	\$130,832	\$139,273		
Moderate	\$59,085	\$63,306	\$67,526	\$75,967	\$84,408	\$87,784	\$91,160	\$97,913	\$104,666	\$111,418	1.9%	\$202,419
Low	\$36,928	\$39,566	\$42,204	\$47,479	\$52,755	\$54,865	\$56,975	\$61,196	\$65,416	\$69,636	4.71%	
Very Low	\$22,157	\$23,740	\$25,322	\$28,488	\$31,653	\$32,919	\$34,185	\$36,717	\$39,250	\$41,782		
Region 3												
Median	\$83,650	\$89,625	\$95,600	\$107,550	\$119,500	\$124,280	\$129,060	\$138,620	\$148,180	\$157,740		
Moderate	\$66,920	\$71,700	\$76,480	\$86,040	\$95,600	\$99,424	\$103,248	\$110,896	\$118,544	\$126,192	1.9%	\$227,546
Low	\$41,825	\$44,813	\$47,800	\$53,775	\$59,750	\$62,140	\$64,530	\$69,310	\$74,090	\$78,870	1.01%	
Very Low	\$25,095	\$26,888	\$28,680	\$32,265	\$35,850	\$37,284	\$38,718	\$41,586	\$44,454	\$47,322		
Region 4												
Median	\$76,469	\$81,931	\$87,393	\$98,317	\$109,242	\$113,611	\$117,981	\$126,720	\$135,460	\$144,199		
Moderate	\$61,175	\$65,545	\$69,915	\$78,654	\$87,393	\$90,889	\$94,385	\$101,376	\$108,368	\$115,359	1.9%	\$205,486
Low	\$38,235	\$40,966	\$43,697	\$49,159	\$54,621	\$56,806	\$58,990	\$63,360	\$67,730	\$72,099	5.96%	
Very Low	\$22,941	\$24,579	\$26,218	\$29,495	\$32,772	\$34,083	\$35,394	\$38,016	\$40,638	\$43,260		
Region 5												
Median	\$67,620	\$72,450	\$77,280	\$86,940	\$96,600	\$100,464	\$104,328	\$112,056	\$119,784	\$127,512		
Moderate	\$54,096	\$57,960	\$61,824	\$69,552	\$77,280	\$80,371	\$83,462	\$89,645	\$95,827	\$102,010	1.9%	\$179,028
Low	\$33,810	\$36,225	\$38,640	\$43,470	\$48,300	\$50,232	\$52,164	\$56,028	\$59,892	\$63,756	7.21%	
Very Low	\$20,286	\$21,735	\$23,184	\$26,082	\$28,980	\$30,139	\$31,298	\$33,617	\$35,935	\$38,254		
Region 6												
Median	\$57,458	\$61,562	\$65,666	\$73,874	\$82,083	\$85,366	\$88,649	\$95,216	\$101,782	\$108,349		
Moderate	\$45,966	\$49,250	\$52,533	\$59,100	\$65,666	\$68,293	\$70,919	\$76,173	\$81,426	\$86,679	1.9%	\$153,730
Low	\$28,729	\$30,781	\$32,833	\$36,937	\$41,041	\$42,683	\$44,325	\$47,608	\$50,891	\$54,175	6.97%	
Very Low	\$17,237	\$18,469	\$19,700	\$22,162	\$24,625	\$25,610	\$26,595	\$28,565	\$30,535	\$32,505		

Moderate income is between 80 and 50 percent of the median income. Low income is 50 percent or less of median income. Very low income is 30 percent or less of median income.

* These columns are for calculating the pricing for one, two and three bedroom sale and rental units as per N.J.A.C. 5:80-26.4(a).

**This column is used for calculating the pricing for rent increases for units (as previously calculated under N.J.A.C. 5:97-9.3 (Consumer price Index for All Urban Consumers (CPI-U): Regions by expenditure category and commodity and service group). Landlords who did not increase rents in 2015, 2016, 2017, 2018 or 2019 because of the lack of authority to do so, may increase rent by up to the applicable combined percentage including 2020 or 9.0% whichever is less in accordance with N.J.A.C. 5:97-9.3(c). In no case can rent for any particular apartment be increased more than one time per year.

*** This column is used for calculating the pricing for resale increases for units (as previously calculated under N.J.A.C. 5:97-9.3). The price of owner-occupied low and moderate income units may increase annually based on the percentage increase in the regional median income limit for each housing region. In no event shall the maximum resale price established by the administrative agent be lower than the last recorded purchase price.

Low income tax credit developments may increase based on the low income tax credit regulations.

**** The Regional Asset Limit is used in determining an applicant's eligibility for affordable housing pursuant to N.J.A.C. 5:80-26.16(b)3.

APPENDIX C

Certificate for Applicants Certified to Rental Unit

FORM OF CERTIFICATE FOR APPLICANTS CERTIFIED TO
RENTAL UNIT, REQUIRED BY SECTION 5:80-26.18(c)(2)

CERTIFICATE FOR APPLICANT
CERTIFIED TO A RENTAL UNIT SUBJECT TO
AFFORDABLE HOUSING RESTRICTIONS

My name is _____ and I am making this certificate in connection with my certification to rent the Affordable Housing unit located at _____.

I am aware, as the renter of an Affordable unit, that from this date until _____, 20____ as long as I am renting the unit described above, my renting the apartment is subject to the requirements that are listed below:

1. I am required to pay all rent set forth in my lease on time and in the manner provided for in my lease.
2. I know that I am required to live in my apartment, and that I cannot sublease it or rent it out to any other person, not even to members of my family.
3. I know that the maximum rent I am supposed to pay to my landlord is limited by law, that it is announced each year by _____, and that I can call _____ at any time if I have any questions about what rent I am supposed to be paying.
4. I know that I am not allowed to make any improvements to my apartment unless they have been approved in writing by _____.

BE IT REMEMBERED, that on this the _____ day of _____, 20____
the signer of this Certificate _____
appeared personally before me and who, being duly sworn by me, deposed and made
proof to my satisfaction (i) that he/she is the renter of the Affordable unit that is identified
as said renter in the foregoing Certificate, and (ii) and that he/she has executed said
Certificate with respect to the lease of the property described in the Certificate and for the
purposes described and set forth therein.

Applicant Signature Date

Sworn to and subscribed before me, _____ on the date
set forth above.

NOTARY PUBLIC

APPENDIX D

Mandatory Deed Restriction for Rental Projects

MANDATORY DEED RESTRICTION FOR RENTAL PROJECTS

Deed Restriction

**DEED-RESTRICTED AFFORDABLE HOUSING PROPERTY
WITH RESTRICTIONS ON RESALE AND REFINANCING**

To Rental Property
With Covenants Restricting Rentals, Conveyance and Improvements
And Requiring Notice of Foreclosure and Bankruptcy

THIS DEED RESTRICTION, entered into as of this the ___ day of _____, 20____, by and between the [Administrative Agent] ("Administrative Agent"), or its successor, acting on behalf of _____ [Municipality], with offices at _____, and _____ a New Jersey [Corporation / Partnership / Limited Partnership] having offices at _____ the developer/sponsor (the "Owner") of a residential low- or moderate-income rental project (the "Project"):

WITNESSETH

Article 1. Consideration

In consideration of benefits and/or right to develop received by the Owner from the Municipality regarding this rental Project, the Owner hereby agrees to abide by the covenants, terms and conditions set forth in this Deed restriction, with respect to the land and improvements more specifically described in Article 2, hereof (the Property).

Article 2. Description of Property

[If the project is a 100 percent affordable development, use the following:]

The Property consists of all of the land, and improvements thereon, that is located in the municipality of _____, County of _____, State of New Jersey, and described more specifically as Block No. _____ Lot No. _____, and known by the street address:

[Where restrictions are limited to specific units within the project, use the following:]

The Property consists of all of the land, and a portion of the improvements thereon, that is located in the municipality of _____, County of _____, State of New Jersey, and described more specifically as Block No. _____ Lot No. _____, and known by the street address:

More specifically designated as:

[List specific affordable units by address or apartment number.]

Article 3. Affordable Housing Covenants

The following covenants (the “Covenants”) shall run with the land for the period of time (the “Control Period”), determined separately with respect for each dwelling unit, commencing upon the earlier of the date hereof or the date on which the first certified household occupies the unit, and shall and expire as determined under the Uniform Controls, as defined below.

In accordance with N.J.A.C. 5:80-26.11, each restricted unit shall remain subject to the requirements of this subchapter, the “Control Period,” until the municipality in which the unit is located elects to release the unit from such requirements. Prior to such a municipal election, a restricted unit must remain subject to the requirements of this subchapter for a period of at least 30 years; provided, however, that:

1. Units located in high-poverty census tracts shall remain subject to these affordability requirements for a period of at least 10 years; and
 2. Any unit that, prior to December 20, 2004, received substantive certification from COAH, was part of a judgment of compliance from a court of competent jurisdiction or became subject to a grant agreement or other contract with either the State or a political subdivision thereof, shall have its control period governed by said grant of substantive certification, judgment or grant or contract.
-
- A. Sale and use of the Property is governed by regulations known as the Uniform Housing Affordability Controls, which are found in New Jersey Administrative Code at Title 5, chapter 80, subchapter 26 (N.J.A.C. 5:80-26.1, *et seq*, the “Uniform Controls”).
 - B. The Property shall be used solely for the purpose of providing rental dwelling units for low- or moderate-income households, and no commitment for any such dwelling unit shall be given or implied, without exception, to any person who has not been certified for that unit in writing by the Administrative Agent. So long as any dwelling unit remains within its Control Period, sale of the Property must be expressly subject to these Deed Restrictions, deeds of conveyance must have these Deed Restrictions appended thereto, and no sale of the Property shall be lawful, unless approved in advance and in writing by the Administrative Agent.
 - C. No improvements may be made to the Property that would affect the bedroom configuration of any of its dwelling units, and any improvements to the Property must be approved in advance and in writing by the Administrative Agent.
 - D. The Owner shall notify the Administrative Agent and the Municipality of any foreclosure actions filed with respect to the Property within five (5) business days of service upon Owner.
 - E. The Owner shall notify the Administrative Agent and the Municipality within three (3) business days of the filing of any petition for protection from creditors or reorganization filed by or on behalf of the Owner.

Article 4. Remedies for Breach of Affordable Housing Covenants

A breach of the Covenants will cause irreparable harm to the Administrative Agent, to the Municipality and to the public, in light of the public policies set forth in the New Jersey Fair Housing Act, the Uniform Housing Affordability Control rules found at N.J.A.C. 5:80-26, and the obligation for the provision of low and moderate-income housing.

- A. In the event of a threatened breach of any of the Covenants by the Owner, or any successor in interest of the Property, the Administrative Agent and the Municipality shall have all remedies provided at law or equity, including the right to seek injunctive relief or specific performance.
- B. Upon the occurrence of a breach of any Covenants by the Grantee, or any successor in interest or other owner of the Property, the Administrative Agent and the Municipality shall have all remedies provided at law or equity including but not limited to forfeiture, foreclosure, acceleration of all sums due under any mortgage, recouping of any funds from a sale in violation of the Covenants, diverting of rent proceeds from illegal rentals, injunctive relief to prevent further violation of said Covenants, entry on the premises, those provided under Title 5, Chapter 80, Subchapter 26 of the New Jersey Administrative Code and specific performance.

IN WITNESS WHEREOF, the Administrative Agent and the Owner have executed this Deed Restriction in triplicate as of the date first above written.

BY: _____
[THE ADMINISTRATIVE AGENT]

BY: _____
[THE OWNER]

APPROVED BY _____

Title

ACKNOWLEDGEMENTS

On this the ____ day of _____, 20____ before me came _____, to me known and known to me to be the Administrative Agent for _____ [Municipality], who states that (s)he has signed said Agreement on behalf of said Municipality for the purposes stated therein.

NOTARY PUBLIC

On this the ____ day of _____, 20____ before me came _____, to me known and known to me to be _____, the Owner of the Property, who states that (s)he has signed said Agreement for the purposes stated therein.

NOTARY PUBLIC

On this the ____ day of _____, 20____ before me came _____ known and known to me to be _____ of _____, the Municipality identified as such in the foregoing Agreement, who states that (s)he is duly authorized to execute said Agreement on behalf of said Municipality, and that (s)he has so executed the foregoing Agreement for the purposes stated therein

NOTARY PUBLIC